

LAYOFF MANUAL

<i>MAJOR AREA</i>	<i>SECTION NUMBER</i>
CAUSES OF STAFFING REDUCTIONS	100

The following are a variety of situations that might create the need for staffing reductions.

BUDGET REDUCTIONS

One means of implementing budget reductions is to reduce staffing levels. There are a variety of ways to do this. Vacant positions may be eliminated; incumbents of abolished positions may be transferred to vacant positions that will continue to be funded; interest of employees in reduced work time may be explored; however, layoffs or demotions in lieu of layoff may become a necessity.

MANDATORY REINSTATEMENTS OF EMPLOYEES, SUCH AS FROM CAREER EXECUTIVE ASSIGNMENTS (CEA)

An employee whose CEA appointment is terminated has a mandatory right of return to his or her former position (GC Section 19889.3), or one within transfer range of the former position. If the CEA employee exercises this right and there are no vacancies, the seniority scores of all employees, including that of the CEA employee, in the class to which he/she is returning are calculated and the least senior employee would be laid off or placed in another position by an alternative to layoff, such as demotion in lieu of layoff.

CORRECTIONS OF MISALLOCATED POSITIONS

If a filled position is to be reallocated to the correct class at a lower salary level and there are no appropriate vacancies for the incumbent, it may be necessary to implement the layoff process to layoff or demote the least senior employee in the class to which the position was incorrectly allocated.

CHANGES IN TIME BASES OF POSITIONS

- If the time base of a full-time position is decreased to a lesser time base and the incumbent is only available for full-time work, the incumbent would be offered a vacant full-time position in the class. If there are no full-time vacancies, the employee in the full-time class with the least seniority would be placed in the position with the lesser time base, laid off, or placed in another position by an alternative to layoff, such as demotion in lieu of layoff.
- If the time base of a part-time position is increased to full time and the incumbent is available for only part-time work, the incumbent would be offered a vacant part-time position in the class, or, if none, the part-time employee with the least seniority would be laid off or placed in another position by an alternative to layoff, such as demotion in lieu of layoff. Other options could include another employee in the class changing to full time, or to see if two part-time employees would be interested in sharing the full-time position.

REORGANIZATIONS

During reorganization, positions may be abolished or reclassified, which may require a department to reduce its staffing levels through layoffs or alternatives to layoffs.

Department of Personnel Administration
Classification and Compensation Division

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FUNCTIONS, PROJECTS, OR PROGRAMS ARE CURTAILED OR DISCONTINUED DUE TO MECHANIZATION, PROCESSING CHANGES, OR DECREASE OR TERMINATION OF FUNDS

These actions may result in the abolishment or reclassification of positions, which may require a department to reduce its staffing levels through layoffs or alternatives to layoffs.

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The following are examples of measures departments may use to mitigate staffing reductions.

HIRING FREEZE

An appointing power may initiate a hiring freeze in the area of layoff and in other areas where vacancies might assist in easing the impact of staffing reductions in the area of layoff. A hiring freeze may be utilized to create vacancies to which employees may be transferred or demoted (either voluntarily or involuntarily) in order to avoid a layoff. This approach is very effective in classes where turnover occurs.

Some departments have combined hiring freezes with the creation of Departmental Restriction of Appointments (DROA) processes, where hiring supervisors and managers with positions outside the areas of layoff are directed to make appointments of surplus employees from within their departments. The mechanics of the DROA may vary from requiring that priority consideration be given to surplus employees to assigning specific surplus employees to be appointed to specific positions, with no option.

REDUCTION OF INTERMITTENT AND NON-PERMANENT WORK FORCE

Departments may cut intermittent hours, terminate contract employees, or terminate temporary appointments such as limited-term appointments. These measures may generate considerable savings if a department has a large temporary work force. Some bargaining unit agreements include language regarding the intermittent work force. Departments should refer to the appropriate agreement prior to using this alternative.

REDUCED WORK TIME

Government Code 19996.19 provides for voluntary reduced work time. A voluntary reduced work time means employment of less than 40 hours per workweek. Reduced work-time benefits both the employer and employees, by increasing flexibility. It offers management more flexibility in meeting work requirements and filling shortages in various occupations. It provides needed alternatives for employees who require or prefer shorter hours; thus, increasing jobs available to reduce unemployment while retaining skills of individuals who have training and experience.

The appointing power may survey employees to determine if any are interested in reducing their time base, thereby achieving salary savings. (GC Sections 19996.19 - 19996.29)

JOB SHARING

Provides for a shorter workweek and reduced pay as an alternative to layoff, keeping workers connected to their jobs and enabling employers to retain workers in which they have an investment.

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The appointing power could survey employees to determine if any are interested in reducing their time base and sharing full-time positions. The most common technique is for two employees to share one position by each working half time. Each employee will receive prorated benefits and the salary of one position will be saved. (GC Sections 19996.19 - 19996.29)

RETIREMENT

Surplus employees or others may elect to retire, thereby eliminating some or all of the overstaffing. If an employee has been noticed that he/she will be laid off, the employee may elect to retire in lieu of layoff. If this occurs, the appointing power may request that the employee's name be placed on appropriate reemployment lists.

EARLY RETIREMENT

If the situation is serious enough, the Governor may implement an Early Retirement Program which grants two additional years of service credit to employees vested in the retirement system. The additional credit may convince employees, who would otherwise not retire, to do so. (GC Sections 20816)

Departments that feel that an Early Retirement Program is fiscally viable and would alleviate their overstaffing may request that the Department of Finance approve their participation in an Early Retirement Program. Such departments must first be able to demonstrate to the Department of Finance that they can afford the program and that it will alleviate the overstaffing problem.

PARTIAL SERVICE RETIREMENT

Allows an employee the opportunity to reduce his/her work time and ease into retirement. Employees vested in the retirement system may, with approval of the appointing power, reduce their full-time employment by 20 to 60 percent and accept the corresponding portions of their retirement benefits. (GC Sections 19996.30 - 19996.40)

Partial retired employees are considered "active" with a reduced time base. Employees are given an opportunity to cut back their work hours without seriously reducing their income. In addition, employees who participate in the program are guaranteed full health, dental, and vision care benefits. Seniority for retirement and other leave benefits are pro rated based on the employee's "active" time base.

PLACEMENT WITH OTHER STATE, GOVERNMENT, OR PRIVATE EMPLOYERS

The appointing power should gather various job announcements and make them available to surplus employees. Announcements are made on the vacancy data base system (VPOS), and should be made available to surplus employees. An active department could function as a personnel placement office

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for surplus employees. Specific employees could be routed job announcements for specific positions for which they qualify.

SUPPLEMENTAL TIME OFF

Full-time civil service employees may request supplemental time off during a term not to exceed 12 consecutive monthly pay periods in exchange for a commensurate reduction in pay (DPA Rule 599.831).

VOLUNTARY PERSONAL LEAVE

This program allows an employee to voluntarily participate in the Personal Leave Program. The program allows rank and file (check contracts for eligibility), and excluded employees the opportunity to continue working their assigned work schedule and receive a pay reduction equal to one or two days for each monthly pay period. Employees subject to the Personal Leave Program shall be credited with eight (8) hours of personal leave for each day of dock on the first day of the following monthly pay period for each month in the program.

LEAVE OF ABSENCE

Government Code Section 19991.1 provides for an unpaid leave of absence. The appointing power may grant a leave of absence without pay, to any employee under his or her jurisdiction for a period not exceeding one year. An extension to an unpaid leave of absence may be granted by the appointing power with the approval of the Department of Personnel Administration (DPA).

DEPARTMENTAL RESTRICTION OF APPOINTMENTS (DROA)

This process requires hiring supervisors and managers with positions outside the area of layoff to make appointments of surplus employees from within their own departments. The mechanics of the DROA may vary from requiring that priority consideration be given to surplus employees to actually requiring specific surplus employees be appointed.

STATE RESTRICTION OF APPOINTMENTS (SROA)

DPA is authorized by GC Section 19998.1 to temporarily restrict the methods of appointment that are available to appointing powers, in order to assist surplus employees in finding jobs. Appointing

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powers must request that DPA approve their participation in the SROA Program. This is normally accomplished after DPA's approval of the department's layoff plan. The following are several key points:

- Three names per position to be abolished may normally be placed on a SROA list. The purpose of limiting the names is to restrict list placement to those employees who are least senior, whose jobs are in jeopardy, and who will seriously seek new employment.
- A surplus employee may express interest in a position in any class to which he/she is eligible to be appointed and be treated the same as though he/she were on the SROA list for that class.
- Placement on a SROA list is for 120 days, and, under special circumstances, a 120-day extension may be granted. A surplus employee who is in a department-specific class may be placed on the SROA list for a servicewide class. If an employee on a SROA list does not respond to a written or telephone contact, does not appear for an interview, or does not report to a job he/she has accepted, his/her name should be removed from the SROA list by the potential hiring department.

The State Restriction Policy and Procedures (SROA) Manual describes the SROA Program in detail. An electronic copy of the manual is available on the Department of Personnel Administration's (DPA) Web Page.

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When the appointing power knows that a budget reduction is necessary, it may first determine if the reduction can be accomplished by eliminating items, such as new construction or major renovations, and research or training funds that would not require a reduction in staff size. If that is not feasible or does not accomplish the entire savings, it will be necessary to reduce staffing. Limited-term appointments should be used until the scope of the reduction is identified.

The appointing power determines how many positions must be reduced, and determines if there are sufficient vacancies that can be left vacant to accomplish the requisite savings.

The appointing power may consider the feasibility of terminating any emergency, temporary, training and development, retired annuitant, contract, or limited-term appointments in the department to accomplish the necessary savings.

The appointing power can also explore the entire spectrum of voluntary and involuntary methods of reducing staff that are below.

If the following methods do not accomplish the entire savings, the appointing power will have to initiate the layoff process.

VOLUNTARY METHODS

Transfer or Demotion within Appointing Power

- If there are sufficient vacancies within the appointing power, but outside the area of layoff, in the class in which positions are to be reduced, the appointing power **is not in a layoff situation**. Employees may be encouraged to voluntarily transfer to positions in the same class. These transfers may or may not entail a change of residence. Normally, voluntary transfers do not entitle transferees to receive relocation expenses; however, to encourage voluntary transfers, some departments provide partial reimbursement as a part of the meet and confer process.
- Employees may also voluntarily transfer to other classes or demote if vacancies exist. Note: In 1992, the Department of Corrections utilized voluntary transfers and demotions to avoid large numbers of layoffs in the Parole and Community Services Division.
- Employees who voluntarily transfer or demote, thereby assisting management in its goal of reducing staffing, may be placed on reemployment lists.

Transfer or Demotion within the Appointing Power's Agency

One option that is nearly always overlooked is the layoff department's agency (if any) taking an active role in correcting overstaffing. The agency secretary could implement an agencywide hiring freeze and restriction of appointments process, similar to those that are initiated by individual departments, in order to facilitate the placement of surplus employees within the agency.

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The appointing power's agency (if any) should also determine if appropriate vacancies exist in other appointing powers within the agency, and impacted employees should be offered the opportunity to voluntarily transfer or demote to them.

INVOLUNTARY METHODS

If the voluntary methods do not eliminate the entire staffing problem, the following involuntary methods are available:

Involuntary Transfer in Lieu of Layoff

- An employee in the area of layoff may be involuntarily transferred to a position in the same class in the same or different geographic location that has been vacated by the layoff of a less senior employee.
- If the involuntary transfer requires a change in residence, the employee must be given a 60 calendar day notice prior to the effective date of the transfer.
- If no change of residence is required, it is recommended that the employee be given a 30 calendar day notice.
- If there are vacancies, no layoff exists, and employees are offered involuntary transfers which are normally based on seniority. An employee, who does not wish to accept an involuntary transfer, has the following options, depending on their bargaining unit contract: personally locate a position for a permissive transfer; resign; or be laid off. (This will give the employee reemployment rights.) If the employee elects none of these options and does not transfer, the appointing power may separate the employee for failing to report to work in the new location, which results in an absence without leave (AWOL) in accordance with PML 94-55.

There are two ways that involuntary transfers are used when the number of positions in a class is to be reduced. First, if vacant positions exist in the class and area of layoff, no layoff exists, and incumbents should be offered transfers. Second, if there are no vacancies, senior employees may be offered transfers to positions held by the least senior employees in the class. In both situations, employees may be first offered the opportunity to transfer voluntarily.

Selection of Employees to be Transferred

An appointing power may first canvas employees in the class of layoff to see if any are willing to transfer voluntarily. Employees who voluntarily transfer at the request of the appointing power may be placed on reemployment lists, in order that they shall be considered for return to their original geographic locations. If employees will not transfer voluntarily or do not do so in sufficient numbers to avoid involuntary transfers, the most common method of selecting the employees to be transferred is through seniority; however, DPA may approve other methods. Another option would be to base the decisions on the need to relocate an employee with specific skills within the class concept to different geographic locations.

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Transfer to Other Classes

An employee can agree to voluntarily transfer to another class or an appointing power may involuntarily transfer an employee to another class in accordance with GC Section 19050.5. This was delegated to appointing powers by SPB in its policy memorandum of April 5, 1994. (Attachment 1)

Transfer Options if More Than One Employee Must be Transferred and/or More Than One Position is Available to Transfer to

Employees may be given the opportunity to select the positions, in rank order, that they would prefer to transfer to. If this approach is taken, no one should be moved until all employees have identified their choices, in order to avoid unnecessary confusion, and the possibility of moving one employee more than once. If more than one employee selects one of the available positions, preference should be given based on the criteria (normally seniority) used to determine which employees would be transferred.

EXAMPLES OF THE USE OF TRANSFERS WHEN VACANCIES EXIST

An appointing power has 20 positions in the class of Staff Counsel, a class that has been recruited for on a statewide basis. Ten of the positions are in Sacramento, six are in Los Angeles, and four are in San Francisco. The San Francisco Office is to be closed, and the four positions are to be abolished. There are three vacancies in Sacramento and one in Los Angeles.

- Canvas the four San Francisco employees to see where they would prefer to transfer.
- If three selected Sacramento and one selected Los Angeles, the problem would be solved and the transactions could be effected.
- If all four selected Sacramento, seniority or whatever other criteria was approved by DPA would be used to determine who would be offered the transfer to Los Angeles. If seniority were the criterion, the least senior employee would be offered the Los Angeles position.
- If all four selected Los Angeles and the criterion for selection were seniority, the most senior employee would be offered the Los Angeles position, and the others would be offered Sacramento.
- If two selected Los Angeles and two selected Sacramento, the most senior of the two employees to select Los Angeles would be offered that position.
- If there are vacancies, no layoff exists, and employees are offered involuntary transfers which are normally based on seniority. An employee, who does not wish to accept an involuntary transfer, has the following options, depending on their bargaining unit contract: personally locate a position for a permissive transfer; resign; or be laid off. (This will give the employee reemployment rights.) If the employee elects none of these options and does not transfer, the

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appointing power may separate the employee for failing to report to work in the new location, which results in an absence without leave (AWOL) in accordance with PML 94-55.

An appointing power has 20 positions in the class of Staff Counsel, a statewide recruiting class. Ten of the positions are in Sacramento, six are in Los Angeles, and four are in San Francisco. The Sacramento Office, which has no vacancies, is to lose four positions, and there are two vacancies in Los Angeles and two in San Francisco.

- Canvas the Sacramento employees to determine if any are willing to transfer to Los Angeles or San Francisco.
- If none are willing to transfer, and seniority is the criterion to be used to determine who will be transferred, give the four least senior employees in Sacramento the opportunity to select either Los Angeles or San Francisco.
- As in the preceding example, use seniority to make decisions.
- If there are vacancies, no layoff exists, and employees are offered involuntary transfers which are normally based on seniority. An employee, who does not wish to accept an involuntary transfer, has the following options, depending on their bargaining unit contract: personally locate a position for a permissive transfer; resign; or be laid off. (This will give the employee reemployment rights.) If the employee elects none of these options and does not transfer, the appointing power may separate the employee for failing to report to work in the new location, which results in an absence without leave (AWOL) in accordance with PML 94-55.

EXAMPLES OF THE USE OF TRANSFERS WHEN NO VACANCIES EXIST

An appointing power has 20 positions in the class of Staff Counsel, a class that has been recruited for on a statewide basis. Ten of the positions are in Sacramento, six are in Los Angeles, and four are in San Francisco. The San Francisco Office is to be closed and the four positions are to be abolished. The four least senior employees are located in San Francisco (2) and Los Angeles (2). These four employees would be laid off, and the two positions in Los Angeles, in which the layoffs occurred, would be filled by two employees from either Sacramento or San Francisco. The remaining San Francisco employees would have to be transferred to either Sacramento or Los Angeles.

- Canvas the two employees in San Francisco who have enough seniority to "stick" in the class to see if they would be interested in transferring to Los Angeles. This would be the least disruptive resolution of the layoff situation, but, since it is a statewide layoff, the San Francisco employees cannot be forced to transfer to Los Angeles, if they are senior to some of the employees in Sacramento.
- If the San Francisco employees do not wish to transfer to Los Angeles, canvas the 10 employees in Sacramento to see if any would be interested in transferring to Los Angeles.

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- If none of the Sacramento employees are interested in transferring voluntarily to Los Angeles, the two least senior employees of the 10 in Sacramento would be offered involuntary transfers to Los Angeles, and the two San Francisco employees would be transferred to Sacramento in-lieu-of layoff.
- If there are vacancies, no layoff exists, and employees are offered involuntary transfers which are normally based on seniority. An employee, who does not wish to accept an involuntary transfer, has the following options, depending on their bargaining unit contract: personally locate a position for a permissive transfer; resign; or be laid off. (This will give the employee reemployment rights.) If the employee elects none of these options and does not transfer, the appointing power may separate the employee for failing to report to work in the new location, which results in an absence without leave (AWOL) in accordance with PML 94-55.

An appointing power has 20 positions in the class of Staff Counsel, a class that has been recruited for on a statewide basis. Ten of the positions are in Sacramento, six are in Los Angeles, and four are in San Francisco. The Sacramento Office is to be reduced by four positions, but the four least senior employees are in San Francisco (2) and Los Angeles (2).

- Canvas the 10 employees in Sacramento to see if any are interested in transfers to Los Angeles or San Francisco.
- If none are interested, offer the four least senior employees in Sacramento (beginning with the most senior of the four) his/her choice of a position in Los Angeles or San Francisco, until the four excess Sacramento positions are vacated.
- If there are vacancies, no layoff exists, and employees are offered involuntary transfers which are normally based on seniority. An employee, who does not wish to accept an involuntary transfer, has the following options, depending on their bargaining unit contract: personally locate a position for a permissive transfer; resign; or be laid off. (This will give the employee reemployment rights.) If the employee elects none of these options and does not transfer, the appointing power may separate the employee for failing to report to work in the new location, which results in an absence without leave (AWOL) in accordance with PML 94-55.

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ADDITIONAL FACTORS

- An employee need be offered only one position to which to transfer.
- An employee who has been offered a transfer may not elect to demote to another class and cause the layoff of another employee.

RELOCATION EXPENSES

An employee being involuntarily transferred to a different geographic location is entitled to relocation expenses provided certain criteria are met. An employee who voluntarily transfers to avoid the necessity of involuntary transfers may receive relocation expenses based on certain criteria and at the discretion of the appointing powers.

LAYOFF

An appointing power is in a layoff mode when there are no vacant positions that surplus employees will voluntarily transfer or demote to, and all other voluntary methods of reducing staff have been exhausted, and it is still necessary to reduce staffing levels.

CALIFORNIA STATE PERSONNEL BOARD

DATE OF ISSUE: April 5, 1994

MEMO TO: ALL STATE AGENCIES AND EMPLOYEE ORGANIZATIONS

SUBJECT: Delegation of Function re: Involuntary Transfer - Change of Class

SPB File Reference: Personnel Management Policy and Procedures Manual (PMPP). Should be kept and filed in PMPP Manual section 35, Transfers.

The involuntary transfer of an employee from one class to another has required preapproval by the Board's Executive Officer. Effective the date of this memorandum, appointing authorities no longer need to seek the approval of the SPB Executive Officer prior to involuntarily transferring an employee from one class to another subject to the following guidelines and post-audit by Board staff:

1. The class title of both the "to" and "from" classes are exactly the same except for a parenthetical designation; and

The "to" class must have exactly the same or within two steps higher maximum salary as the "from" class;

OR

2. The titles of the "to" and "from" classes are different and all the following criteria are met:

- a. The "to" class must have exactly the same or within two steps higher maximum salary as the "from" class; **and**
- b. The "to" and "from" classes must be in the same or a reasonably comparable occupational group or the prior employment history suggests the employee can competently and successfully perform in the "to" class; **and**
- c. The employee must possess any required experience, license and/or certificates for the "to" class.

The above delegation decision and guidelines are based on the following law and regulations:

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G.C. Section 19050.4 which states "A transfer, as defined in Section 18525.3, may be accomplished without examination. The board may require an employee to demonstrate in an examination that he or she possess any additional or different requirements that are included in the minimum qualifications of the class to which the employee is transferring."

G.C. Section 19050.5 which states "Notwithstanding Section 3517.6, an appointing power may transfer any employee under his or her jurisdiction to another position in a different class designated as appropriate by the board."

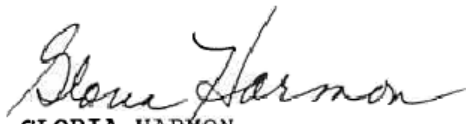
G.C. Section 18525.3 which states "transfer means both of the following: (a) The appointment of an employee to another position in the same class but under another appointing power. (b) The appointment of an employee to a position in a different class that has substantially the same level of duties, responsibility, and salary, as determined by board rule, under the same or another appointing authority."

G.C. Section 19997.8 which states "In lieu of being laid off an employee may elect demotion to: (a) any class with substantially the same or a lower maximum salary in which he or she had served under permanent or probationary status..."

2CCR434 which states "When the transfer between classes is not voluntary on the part of the employee, the class to which the employee is transferred must have prior executive officer approval."

2CCR431 which states "(a) The following definitions shall apply to salary and class level comparisons made under this chapter: (1) 'Substantially the same salary range or salary level' means the maximum rate of the salary range of one class is less than two steps higher than or is the same as the maximum rate of the salary range of another class..."

Attorney General Opinion No. 80-402 June 24, 1980 which concludes that a state employee, subject to layoff, may elect demotion to a previously held class with the same or higher, but not substantially higher, salary than the class of layoff.



GLORIA HARMON
Executive Officer

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PRIOR TO STAFFING REDUCTIONS	400

There are several actions that all departments are expected to take regardless of their status as surplus or nonsurplus departments. The completion of these actions is important because should staffing reductions be required, departments normally want to expedite the process. If the following actions are not accomplished, the staff reductions will be delayed because DPA will be forced to return the Layoff Plan (reference Section 700 of this manual) with the seniority computation request for the department to complete them.

POST DATES AND HOURS OF INTERMITTENT EMPLOYMENT, AS REQUIRED, TO EMPLOYEES' HISTORIES

The State Controller's Office (SCO) requires departments to post the dates and hours of intermittent service to employees' work histories when they receive full-time appointments, receive salary adjustments, change classes, or separate from State service.

- A department that requests seniority scores must certify on the Layoff Plan that dates and hours of intermittent employment have been posted through the date to which DPA is computing seniority scores. This date should be obtained from your DPA CCD analyst.
- A department must verify in the data base that all intermittent service has been credited.
- A department may have to contact employees' former employers to request that they submit the data to SCO.
- If an employee's intermittent records have been destroyed, a department must notify DPA of that and provide the time period of the intermittent service. DPA will then determine the appropriate time to credit the employee.
- If a department does not post the intermittent hours of its employees, DPA will be forced to return the Layoff Plan with the seniority computation request.

GATHER PRIOR EXEMPT SERVICE DATA WHEN EMPLOYEES ARE APPOINTED AND SUBMIT THE DATA TO DPA FOR SENIORITY SERVICE COMPUTATION, AND FLAG THE WORK HISTORIES

If a department requests seniority scores, it must survey employees in the areas of layoff to determine if any prior exempt service has not yet been credited to them. DPA Form 004 "Prior Exempt Service Questionnaire" (Attachment 1) should be used for this purpose. If the employee has unverified State service outside the executive branch, use DPA Form 039 "Verification of Exempt Service Outside the Executive Branch" (Attachment 2) to request verification. Once departments receive verification, submit DPA Form 039 and DPA Form 690 "Verification of Total State Service" (Attachment 3) along with any State service discrepancies to DPA's Service and Seniority Unit.

- Prior service data is available at the following sources:
[University of California](#)

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Nonstudent employment service prior to October 1, 1961 - contact the Public Employees' Retirement System.

Service from October 1, 1961 - contact the campus payroll office and request the employee's record of earnings.

Contact the campus Registrar's Office to verify prior student status.

California State Universities

Nonstudent employment service prior to September 1, 1961 - microfiche records at DPA.

Nonstudent employment service from September 1, 1961 through 1976 - contact the campus personnel office and request copies of the record cards.

Nonstudent employment service after 1976 - data should be on the PIMS data base.

No student service qualifies for State seniority credit.

Other Prior Employers

Qualifying service may be obtained by contacting the agency's personnel office.

- Departments must enter the appropriate prior history codes in item 450 of Personnel Action Requests for their employees. If a department has not entered prior history flags in its employees' work histories (if appropriate), and does not forward prior service employment data to DPA, the department's request for seniority score computations will be returned.
- A department requesting seniority scores must submit all prior service data to DPA along with the Layoff Plan Request for Preliminary Seniority Scores (DPA Form 009, refer to Section 700), for the calculation of service credits.

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GATHER QUALIFYING PRIOR MILITARY SERVICE DATA WHEN EMPLOYEES ARE APPOINTED AND RETAIN IN FILES

New employees and employees who have not previously been surveyed should be asked to complete DPA Form 190 "Military Service Information" (Attachment 4). The completed forms should be retained permanently in the employees' personnel files. The data gathered by these forms are used to determine if employees are eligible for a maximum of 12 seniority points if a layoff occurs. A worksheet titled "Military Service Qualification Worksheet" (Attachment 5), should be used to determine qualifying service. This worksheet also lists the campaigns and medals used to determine if an employee is a veteran

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DEMOTIONAL PATTERNS	500

This section explains an important mechanic of the layoff process: Demotional Patterns.

PRIMARY DEMOTIONAL PATTERNS

These include classes at lower salary levels in the same series as the class of layoff, and classes in which specific employees formerly served in probationary or permanent appointments.

- An employee has primary demotional rights to lower classes in his/her class of layoff, whether or not he/she served in the classes. He/she must, of course, have sufficient seniority to "stick" in one of the classes.
- An employee has primary personal demotional rights to classes in other series in which he/she served (in any department) in probationary or permanent appointments, IF the layoff department uses the classes in the area of layoff, AND the employee has sufficient seniority to "stick."
 - When seniority scores are requested from DPA, it is critical that personal demotional rights are identified and scores are requested for those employees' personal demotional classes. If you are unaware of an employee's personal demotional rights and the employee later notifies you that he/she wishes to demote to a former class, you would have to then obtain seniority scores for that class to see if he/she has sufficient seniority to "stick" in the class, and what the impacts will be. This could delay the layoff process.
 - Personal demotional rights may be elected to any former class that is within transfer range or lower salary range of the class of layoff and is used in the area of layoff.
- An employee is eligible to be placed on general, departmental, and subdivisional reemployment lists for each class in a primary pattern through which he/she demotes.

SECONDARY DEMOTIONAL PATTERNS

The appointing power that is reducing staff may identify classes that are related to the layoff class and request that DPA approve them as secondary demotional classes. These may be any classes in which the similarity in duties and minimum qualifications to the layoff class indicates that employees in the layoff class will be able to perform the duties of the secondary demotional classes.

- The identification of a secondary demotional pattern is based on the requirements of the class of layoff not on any special qualifications of individual employees in the class of layoff.
- An employee is eligible to be placed on departmental and subdivisional reemployment lists for each class in a secondary demotional pattern through which he/she demotes.

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HOW IS IT DETERMINED WHETHER AN EMPLOYEE IS DEMOTED THROUGH THE PRIMARY AND SECONDARY PATTERN

An employee has the option to select demotion in either the primary (including personal) or secondary pattern in accordance with GC Section 19997.8, even if one pattern has vacancies and the other does not.

BUMPING RIGHTS

A layoff is limited to the appointing power that is reducing staff, and the "bumping" rights of employees are limited to that appointing power. In other words, an employee who is laid off by Department A cannot "bump" a less senior employee in Department B, even if the employee once worked there.

Following are sample demotional scenarios with demotional chart for your reference.

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SERVICE AND SENIORITY COMPUTATIONS	600

This section explains another important mechanic of the layoff process: Service and Seniority Computations.

PRELIMINARY SENIORITY SCORES

An employee receives one point of seniority credit for each complete month of full-time State service, regardless of when, and in what classes, such service occurred. Less Than Full-Time Employees -- Credit for less than full-time employment is calculated by the Service and Seniority Unit at DPA. (Note: Bargaining Unit 6 provides that seniority consists only of time served within the Bargaining Unit. See each Bargaining Unit for specific seniority provisions.)

- Time served in all types of State appointments other than emergency appointments not immediately followed by a qualifying appointment is counted toward seniority.
- Prior exempt service is computed by the Service and Seniority Unit from data obtained and provided by the appointing power.
- Credit for intermittent time is computed by the Service and Seniority Unit from data posted to employment histories by the appointing power.

FINAL SENIORITY SCORES

DPA forwards the preliminary seniority scores to the appointing power, which finalizes the scores by adding any qualifying prior military service (maximum of 12 points) and by making any deletions (12 or 36 points) for performance shortcomings in professional, scientific, administrative, management, and executive classes.

PROCESS TO BREAK SENIORITY SCORE TIES

Professional, Scientific, Administrative, Management, or Executive Classes

Tie seniority scores between employees in these classes are broken first by current performance evaluations. If such a distinction cannot be made, the preferences applied to employees in other classes are used.

Other Classes

The following tie breakers are used:

- (1) veteran;
- (2) greatest amount of service in class of layoff, or in a class at substantially the same or higher salary level as the class of layoff;
- (3) employee in (2) who has served in the class that has the highest maximum salary rate;
- (4) earliest appointment date for service credit under the provisions of GC Section 19997.3;
- (5) highest total State service (DPA Rule 599.739);

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- (6) earliest appointment date under provisions of DPA Rule 599.739; and
(7) lottery.

Example:

- If two employees in the Staff Services Manager (SSM) I class in the area of layoff have the same score and one of them is a veteran, the veteran is considered the most senior.
- If neither is a veteran or both are veterans, the employee with the most total service in the SSM I class and other classes at the same or higher salary level as the SSM I is considered the most senior.
- If both employees have the same total service in the SSM I and other classes at the same or higher salary level as the SSM I, the employee who has served in the highest salaried class is considered the most senior.
- If both employees have served in the same highest salaried class, the employee with the earliest date of appointment to any class is considered the most senior.
- If both employees have the same initial date of appointment to any class, the employee who has the highest State service score is considered the most senior. Employees who were employed prior to 1969 could have service scores higher than their seniority scores.
- Due to changes in law regarding breaks in service, this tie breaker results in the same date as tie breaker (4).
- If the scores are still tied, some type of lottery system should be used to break the tie. Whatever system is used, it should be agreeable to all parties and safeguards employed so the system cannot be manipulated to favor one of the employees. (Example: Each employee could write his or her name on a slip of paper and place it in a container. An impartial person could then draw the name of the person to be considered most senior.)

**PERFORMANCE EVALUATIONS FOR PROFESSIONAL, SCIENTIFIC,
ADMINISTRATIVE, MANAGEMENT, OR EXECUTIVE CLASSES**

The deduction of 12 (Improvement Needed) or 36 (Unsatisfactory) points for performance only applies to the class of layoff. For example, presume that the class of layoff is Staff Services Manager II (Supervisory) and one incumbent, who has a seniority score of 186, has 36 points deducted for an Unsatisfactory rating on his performance evaluation. The resultant score of 150 is not high enough for him to "stick" in the class, and he demotes to the SSM I class. To determine if he will "stick" in this class, his original seniority score of 186 must be used.

OVERVIEW OF THE LAYOFF PROCESS

ATTACHMENT I

*Approximate Timeframes

Layoff Commences 07/02/08

*1 to 4 weeks

07/30/08

*1 to 2 weeks

08/13/08

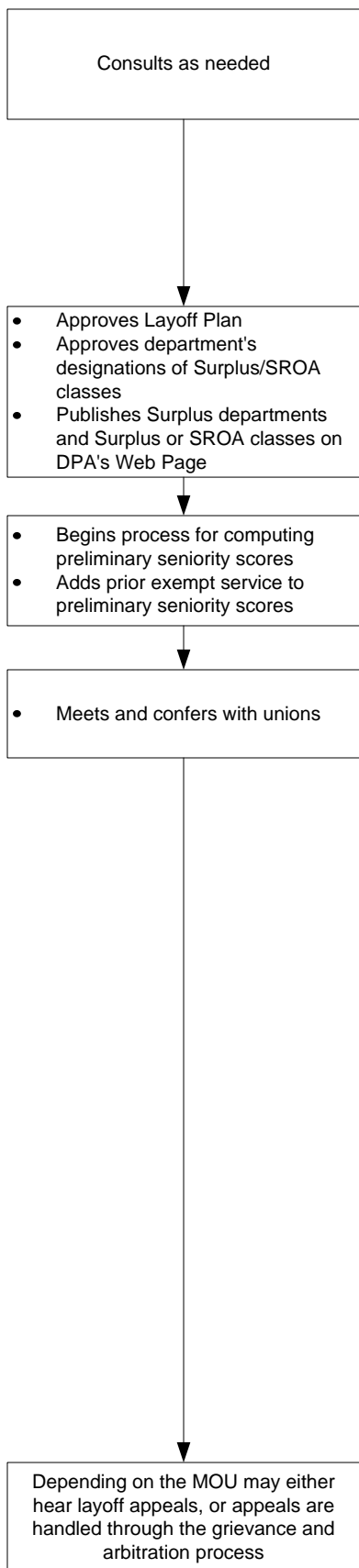
*13 to 16 weeks

12/31/08
Projected Layoff Effective Date

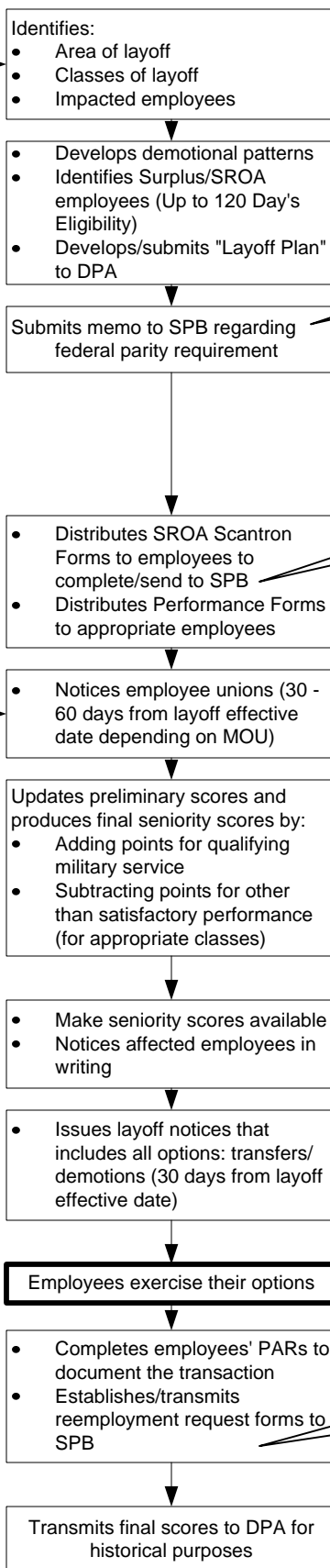
*1 to 2 weeks

Layoff Complete Approx. 24 Total Weeks*

DPA



APPOINTING POWER



Prior to a layoff, the Appointing Power must:

- Post Intermittent hours
- Survey employees for prior exempt service
- Gather qualifying military service

SPB consults as needed.

SPB establishes SROA certs.

SPB processes reemployment on certifications.

*Note: Projected timeframes are based on approximately 250 positions cut in 12 classes statewide. Timeframes may vary substantially dependent upon increased number of incumbents in each class and the area(s) of layoff.

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The following are the steps to be performed in the layoff process and next to each subject title indicates the responsible stakeholder that will perform the process:

IDENTIFY THE AREA OF LAYOFF

Appointing Power

The majority of layoffs are conducted on a statewide basis within an appointing power; however, there are times when subdivisional layoffs within an appointing power are more appropriate. The most common subdivisional layoff is by geographic location, though on rare occasions other subdivisional layoffs, such as organizational or functional may be appropriate. Specific criteria must be applied to determine if a statewide or subdivisional layoff is appropriate. In arriving at a final decision, an appointing power must weigh the disruptiveness and cost of a statewide layoff against the employees' opportunities to exercise their seniority rights in a layoff of lesser scope. A statewide layoff can be disruptive and expensive, because employees in one geographic location could "bump" employees in different geographic areas, who, in turn, might "bump" employees in other geographic areas.

Statewide

Statewide layoffs are appropriate for classes in which recruitment, testing, and hiring are done on a statewide basis; for which persons typically accept list appointments that require them to change their residences and in which movement between geographic areas routinely occurs.

Note: when the examination plan is statewide, but certifications and choices of appointment are limited to certain geographical or organizational areas, consideration should be given to a narrower area of layoff. The first decision is whether or not a north-south breakdown is logical. If such a breakdown is neither logical nor feasible, then an even narrower geographical or organizational area should be considered.

Geographic Subdivisional

Geographic layoffs may be by a particular facility, by county, or by region. A geographic layoff is appropriate if recruitment and hiring are done locally (persons do not change residences to accept appointments), and if employees typically spend their entire careers in the one location. Consideration may also be given to whether past practice has been to restrict layoffs to geographic subdivisions in the class or classes of layoff. Restricting a layoff to a geographic or other subdivision can result in an employee in that subdivision being laid off while a less senior employee in another area is not laid off.

Organizational or Function Subdivisional Layoff

These are very rare. They are appropriate if the subdivision is a function or project that is clearly distinct from other department operations; and/or the employee in the function or project were hired with the clear understanding that they would be employed only for the duration of the function or project.

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**IDENTIFY THE CLASSES AND EMPLOYEES OF LAYOFF
(GC SECTION 19997.6)**

Appointing Power

To identify the classes of layoff, determine the classes in which positions are to be abolished, and the classes that are to be included in the primary (including personal) and secondary demotional patterns for employees in these classes. Refer to Section 500 of this manual for sample demotional scenarios and demotional charts. The significance of designation as a primary or secondary pattern is that different reemployment list eligibility accrues. An employee may receive general, departmental and subdivisional reemployment list eligibility for a primary class and only departmental and subdivisional reemployment list eligibility for a secondary class.

- Classes established to meet goals of special employment and training programs are included in demotional patterns unless precluded by funding sources.
- A class whose minimum qualifications require a license, certificate, or special education requirement not required for the class of layoff should be included only in the demotional patterns of employees who possess the license, certificate, or special education.
- Employees in higher-salaried classes do not have automatic rights to demote to classes just because they have lower salaries. For example, an employee in a professional class would not have an automatic right to demote to a clerical class.
- An employee who demotes through several levels of classes in a demotional pattern, because his/her seniority score is too low to remain in them, receives reemployment list eligibility for each class he/she demotes through.
- An employee being laid off may select either the primary or secondary demotional pattern, regardless of whether or not vacancies exist in either pattern.

IDENTIFY THE IMPACTED EMPLOYEES

Appointing Power

This would be every employee who MAY be laid off or demoted in lieu of layoff so that all impacted classes or those that could be impacted are included from the area of layoff. This must be done so that personal patterns can be developed and employees can be identified and designated as having surplus status and State Restrictions of Appointments (SROA) status.

If an employee is given surplus status, the employee will be seeking his/her own job opportunities. After DPA's approval of the classes to be designated surplus, the SROA Unit will place the surplus classes on DPA's Web Page. Departments can use the site to determine if a class has surplus status. An entire department may be designated surplus when the layoff will be extensive and complex enough to warrant it. Since seniority scores have not been computed as yet, the layoff department may use the years of service which are used to determine their employees' vacation accrual rates as rough seniority scores. These scores can then be used to identify the employees who are actually in jeopardy of layoff/demotion in each class/area of layoff and to identify classes that should be given SROA status. The State Restriction of Appointments Policy and Procedure Manual describes the SROA Program in detail. This manual is located on DPA's web site.

REVIEW MOUs

Appointing Power

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The MOUs pertaining to the classes of layoff must be reviewed to ensure that all provisions pertaining to layoff are complied with.

ESTABLISH PRIMARY DEMOTIONAL PATTERNS

Appointing Power

These include lower level classes in the same series as the class of layoff. They also include personal demotional rights to classes at a lower level than, the same level as, or a higher level within transfer range of the class of layoff in which an employee previously served under permanent or probationary status. The first type of primary class (lower level class in the same series) applies to all incumbents of the class of layoff, but the second type (personal demotional rights) only applies to specific individuals (if any) in the layoff class (see Section 500 of this Manual).

- Only those classes that are used by the layoff department in the area of layoff may be included in demotional patterns.
- An employee receives general, departmental, and, if appropriate, subdivisional reemployment list eligibility for every class in the primary pattern (including personal demotional classes, if any) through which he/she demotes.

ESTABLISH SECONDARY DEMOTIONAL PATTERNS

Appointing Power

These include lower level classes whose primary duties and minimum qualifications are similar enough to those of the layoff class to give reasonable expectation of success by any of the employees within the layoff class, within a reasonable period of time.

- Include any class which requires the same license, certificate, or education as the layoff class; or is a normal source of recruitment for the layoff class; or shares a common source of recruitment with the layoff class.
- The selection of classes is not dependent on whether or not vacancies exist.
- Classes selected must be used in the area of layoff by the appointing power.

Refer to Section 500 of this Manual.

DEVELOP THE LAYOFF PLAN AND SUBMIT IT TO DPA

Appointing Power

The appointing power develops a "layoff plan" and submits the plan to DPA's CCD analyst and a copy to DPA Labor Relations Division (LRD). Once the appointing power has completed the steps outlined above, these steps should be summarized on Form DPA 009 titled "Layoff Plan and Request for Preliminary Seniority Scores" (Attachment 1). This DPA 009 is the Layoff Plan that is submitted to DPA.

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DPA 009:

Section I – Background/Justification

- Describe the background/ justification for their request of a layoff, i.e., budget cut, legislation driven, elimination of functions, reorganizations, etc.
- Describe the justification for determining the Area of Layoff and the impact on the classes, i.e., statewide, geographical, organizational or functional.
- Indicate the projected layoff effective date.
- Describe any measures used to mitigate the layoff, i.e., elimination of vacant positions, hiring freeze, reduction of nonpermanent workforce, job sharing, transfers with the appointing power or transfers within the appointing power's agency; voluntary reduced work time, job sharing, partial service retirement, etc.

Section II – Preliminary Seniority Scores Request

This section requests preliminary seniority scores for impacted employees. Enter the class code and class title of each impacted class; the bargaining unit for each class; the total number of incumbents and the number designated surplus; and the area of layoff by county code and county.

Section III – Certifications by Requesting Department

- The requesting department must certify on the DPA 009 form that dates and hours of permanent intermittent employment have been posted to employees' work histories; prior exempt service data has been gathered and submitted to DPA; demotional charts are attached; and a list of classes with the total number of positions in the class and the total number of positions designated surplus/SROA is attached.

PROVIDE CONSULTATION/APPROVE LAYOFF PLAN

DPA

The DPA CCD analyst provides staffing reduction consultation to the department and approves the "Layoff Plan" just described.

REQUEST FOR PRELIMINARY SENIORITY SCORES

Appointing Power

When the Layoff Plan is approved by the DPA CCD analyst, the CCD analyst will then route one copy of the approved DPA 009 form and demotional charts to DPA's Service and Seniority Unit, which will request the preliminary seniority scores from SCO.

See Section 600 of this Manual for information on Service and Seniority.

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**APPROVE DESIGNATION OF CLASSES AS SURPLUS
AND/OR SROA AND PLACE SURPLUS CLASSES ON DPA'S
WEB PAGE**

DPA

The CCD analyst will route the approved Layoff Plan for SROA/surplus designation to DPA's SROA Unit. The SROA Unit will provide the designated surplus/SROA classes on DPA's web page

Placement on SROA Lists is limited by DPA Rule 599.854.1 to those employees who are actually subject to layoff or demotion in lieu of layoff. Normally three names per position to be abolished may be placed on a SROA list. The purpose for this limitation is to restrict placement on SROA lists to those employees who are truly in jeopardy of being laid off. This should eliminate senior employees from using the SROA process as a personal job searching tool in attempts to find the "perfect" jobs. This has occurred in the past and serves to frustrate hiring departments which offer employment to these senior employees and are turned down. In the event that one or more of the classes of layoff is a department-specific class, the CCD analyst should assist the layoff department in selecting a SROA list for an "appropriate" class on which to place the names. The State Restriction of Appointments Policy and Procedure Manual describes the SROA Program in detail. This manual is located on DPA's web page.

**DISTRIBUTE SROA SCANTRON FORM TO ELIGIBLE
EMPLOYEES**

Appointing Power

The Appointing Power requests SROA Scantron forms (Attachment 2) from DPA. In turn, they should be delivered to affected employees. Participation is voluntary upon the employee, and list placement is for 120 days.

**NOTICE EMPLOYEE ORGANIZATIONS OF IMPENDING
LAYOFF**

Appointing Power

Notifies Employee Organizations of Impending Layoff

- Notice Employee Organizations 30 to 60 days from layoff effective date, depending on the MOU. The notice (Attachment 3) should include at a minimum the reason for the layoff, the area of layoff, the anticipated classes affected, the total number of employees in each affected class, the estimated number of surplus employees in each affected class, the proposed effective date of the layoff, and a statement that the employee organization may request, within three weeks of the date the notice was mailed, to meet and confer regarding the impact of the layoff. The meet and confer session should not include any issues that were negotiated and/or included in the MOU. For example, if the MOU defers the determination of areas of layoff to GC Section 19997.2, the issue should not be readdressed.
- If a department meets and confers with an employee organization and signs an agreement in regard to the impact of the layoff, include a statement that the provisions of the agreement

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remain in effect until all actions caused by the layoff are permanently resolved, including the completion of probationary periods by employees who transfer to avoid layoff or lessen the impact of layoff. The statement should further provide that should such an employee be rejected on probation and subsequent layoffs become necessary as a direct result, the rejected employee would be reinstated and the employee to be laid off and the union would receive 30-day notices.

- Following are some special circumstances in which the appropriate employee organization or organizations should be noticed.

Demotion of a represented employee to a nonrepresented position.

Demotion of a nonrepresented employee to a represented position.

Demotion of an employee from a class in one bargaining unit to a class in a different bargaining unit.

MEETS AND CONFERS WITH UNIONS

DPA

The DPA Labor Relations Officer and the affected employee organizations begin the meet and confer process.

**DISTRIBUTE REPORTS OF PERFORMANCE TO
SUPERVISORS/MANAGERS FOR COMPLETION FOR
PROFESSIONAL, SCIENTIFIC, ADMINISTRATIVE,
MANAGEMENT, AND EXECUTIVE EMPLOYEES**

Appointing Power

Reports of Performance must be completed for employees in these categories in all classes of layoff. The reports should normally be consistent with the most recent performance appraisals, and should reflect performance since the last performance appraisal or during the last 12-month period. If the reports are not consistent with the most recent performance appraisals, supporting documentation, that has been shared with the employees, must exist. Employees must receive copies of the reports prior to the issuance of seniority lists. The reports should be made on DPA Form 040 "Report of Current Performance" Attachment 4.

- Changes to Seniority Scores

If the Report of Performance is a "Satisfactory" rating, no change is made to the employee's seniority score. If the rating is "Improvement Needed," 12 points are deducted from the seniority score. If the rating is "Unsatisfactory," 36 points are deducted.

- Demotion to Lower Classes

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The 12 or 36 points are only deducted from an employee's seniority score in his/her current class. The points are added back to the employee's score to determine his/her seniority in lower classes once he/she has been demoted from the current class.

- Appeals

An employee who has had points deducted may appeal the rating to DPA on the basis that the rating was not made in good faith, or was otherwise improper. The appeal must be filed within 10 days of receipt of the rating. Filing an appeal does not delay the effective date of the layoff.

**COMPUTE AND PROVIDE PRELIMINARY SCORES TO
DEPARTMENT**

DPA

The Service and Seniority Unit will order Preliminary Seniority Scores from SCO and, in turn, compute data manually, such as intermittent hours, changes in time base, etc. The Service and Seniority unit will then provide the department with Preliminary Seniority Scores.

**UPDATE PRELIMINARY SENIORITY SCORES RECEIVED
FROM DPA TO PRODUCE FINAL SCORES**

Appointing Power

The appointing power updates preliminary seniority scores by adding points for qualifying prior military service and subtracting points for performance ratings of less than satisfactory. They then prepare final seniority scores to determine which employees are subject to layoff or demotion in lieu of layoff. These scores are also used to determine order of placement on reemployment lists. The department shall provide employees their seniority information using Attachment 5 "Seniority Information."

**MAKE FINAL SENIORITY SCORES AVAILABLE TO
AFFECTED EMPLOYEES IN CENTRAL LOCATIONS**

Appointing Power

It is not necessary to provide each employee with a list, but copies should be reasonably available so that all affected employees may have an opportunity to review the list.

NOTICE AFFECTED EMPLOYEES IN WRITING

Appointing Power

For Layoff; Demotion in Lieu of Layoff; or Transfer, Without a Change of Residence, in Lieu of Layoff

An employee to be laid off; demoted in lieu of layoff; or transferred in lieu of layoff, where no change of residence is required, should be notified in writing at least 30 days prior to the effective date of the action (Attachments 6, 7, and 8). The notice should contain the reason for the layoff; the

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employee's final seniority score; the area of layoff; the right to appeal within 30 days of receipt of the layoff notice, based on improper process, bad faith, or other alleged impropriety; a copy of DPA Form 015 "Notice of Involuntary Transfer, Demotion, or Termination" Attachment 9 and alternatives to layoff (if any). Additional information may be included if appropriate. This includes entitlement to relocation expenses; sick leave and vacation balances; compensating time off balance; probationary status; and rescinding of a leave.

For Transfer in Lieu of Layoff When a Change of Residence is Required

An employee to be transferred in lieu of layoff to a position in the same or different class when a change of residence is required must be notified at least 60 days in advance of the transfer. The notice should contain the same data as described above.

Relocation Expenses

An employee being involuntarily transferred to a different geographic location is entitled to relocation expenses provided certain criteria are met. An employee who voluntarily transfers to avoid the necessity of involuntary transfers may receive relocation expenses based on certain criteria and at the discretion of the appointing powers.

EMPLOYEES EXERCISE THEIR OPTIONS

Appointing Power

An employee is actually laid off when all voluntary and involuntary measures have been exhausted.

COMPLETE EMPLOYEE PERSONAL ACTION REQUESTS (PARs)

Appointing Power

The appointing power updates employees' PARs documenting the transaction of layoff, demotion, or transfer.

COMPLETE AND SUBMIT DPA FORM 016 (ESTABLISHING REEMPLOYMENT LISTS) TO SPB

Appointing Power

The appointing power submits DPA Form 016 "Establishing Reemployment Lists" directly to Tate Personnel Board's Certification Unit. Refer to Section 900 of this manual for information regarding reemployment and DPA Form 016.

Department of Personnel Administration
Classification and Compensation Division

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PROCESSES REEMPLOYMENT ELIGIBILITY

SPB

SPB processes and maintains reemployment certifications.

TRANSMIT FINAL SENIORITY SCORES TO DPA

Appointing Power

The appointing power transmits the final seniority scores to DPA for historical files.

HEAR LAYOFF APPEALS

DPA

Refer to MOUs to determine if an appeal is heard by DPA Legal Division or handled through the grievance arbitration process.

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The following are situations that may arise during the course of a layoff.

TIME BASE

Normally, layoffs are in seniority order regardless of time base; that is, the least senior employees, regardless of whether they are part time, intermittent, or full time, are laid off first. An appointing power may request that DPA approve the layoff of employees in any one of these three time bases before the others (DPA Rule 599.847). APPLICATION OF THIS RULE IS THE EXCEPTION TO THE NORM and alternatives shall be explored prior to approval of its application. Application of Rule 599.847 may be appropriate in situations such as the following.

- An appointing power wishes to eliminate intermittent positions in which there has been little time worked, or there is no longer a need for intermittent employment. These situations could be resolved more easily by reducing the number of intermittent hours or by totally eliminating them; however, if this approach is followed, the employees will still hold intermittent appointments. The layoff process, on the other hand, will result in the total separation of the employees, and will give them reemployment list eligibility.
- An appointing power wishes to eliminate part-time positions that are held as additional appointments by employees with other full-time appointments.
- An appointing power no longer needs full-time positions in a class or needs to reduce the number of full-time positions and convert them to part-time or intermittent, and there are already some part-time and/or intermittent positions.

CONVERSION OF EMPLOYEES FROM FULL-TIME TO PART-TIME OR INTERMITTENT TIME BASES

Unless the employees are willing to make the changes voluntarily, it is necessary to use the layoff process to effect time base reductions.

OFFERING FULL-TIME POSITION TO ELIGIBLE PART-TIME OR INTERMITTENT EMPLOYEE

If a part-time or intermittent employee is offered a full-time position because no part-time or intermittent positions are available, he/she has the options of accepting the position, resigning, or finding another position. Employees must be eligible for full-time work. (Refer to the Personnel Management Policy and Procedures (PMPP) Manual Section 380.

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LIMITED-TERM, TEMPORARY, OR CONTRACT EMPLOYEES MUST BE LAID OFF BEFORE State civil service employees in the same class in the area of layoff (DPA Rule 599.843)

LEAVE OF ABSENCE

If an employee on a leave of absence is in a class of layoff, in the area of layoff, his/her seniority score is computed along with those of all other employees in the class/area of layoff. The seniority score of the employee on the leave of absence is computed through the effective date of the leave of absence, while the other employees' seniority scores are computed through the effective date of the layoff.

- If the employee's seniority score is **HIGH ENOUGH** for the employee to retain employment, the employee may remain on leave; however, his/her return at the end of the leave may cause the layoff of another employee (GC Section 19142).
- If the employee's seniority score is **NOT HIGH ENOUGH** for the employee to retain employment, the employee is legally entitled to a 15-day notice of the leave termination and a 30-day notice of layoff (or demotion in lieu of layoff). The employee is reinstated from the leave of absence and laid off on the same date; therefore, the leave termination notice should be included in the Notice of Layoff.

If the employee is to be involuntarily transferred to a different geographic location, she/he is legally entitled to a 60-day notice. The date of the transfer and leave termination should be the same. Once again, both dates may be included in the same notice.

(Note: If the employee is on a military leave of absence, he/she will receive credit for the time on military leave upon his/her mandatory reinstatement.)

EMPLOYEES IN CLASSES/AREA OF LAYOFF WHO ARE ON INDUSTRIAL DISABILITY LEAVE (IDL)

Employees on IDL are treated in a manner similar to the way employees on leaves of absence are treated. That is, their seniority scores are computed along with those of everyone else in the class/area of layoff. If their seniority scores are high enough to retain employment, they will retain the rights to return to their jobs. If, however, their seniority scores are not high enough to retain their jobs, they will be laid off, demoted in lieu of layoff, or transferred. The seniority score of an employee on IDL, unlike that of an employee on a leave of absence, is projected through the length of the IDL, since IDL is not a break in service and IDL benefits continue.

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**EMPLOYEES ON A LIMITED-TERM (LT) OR TRAINING AND DEVELOPMENT (T&D)
ASSIGNMENT TO AN AREA OUTSIDE THE AREA OF LAYOFF**

T&D Assignment

An employee on a T&D assignment from the area of layoff to another part of the department or to another department must be included in the seniority computations for the layoff. If her/his seniority score is high enough to continue in the class of layoff, the T&D may continue. If she/he is to be demoted, the appropriateness of the T&D must be reevaluated following the demotion. If she/he is to be transferred but remains in the same class, the T&D may continue. If she/he is to be laid off the T&D must be terminated.

LT Appointment to Another Department

Such an employee is legally an employee of the “to” department; therefore, the layoff, or “from,” department cannot cancel the LT appointment.

REEMPLOYMENT LIST ELIGIBILITY

An employee's name is placed on the general, departmental, and subdivisional (if any) reemployment lists for each class of layoff in the primary pattern; and is placed on the departmental and subdivisional (if any) reemployment lists for each class of layoff in the secondary pattern. IN ADDITION, IF an employee is laid off from a department-specific class in which the chance of reemployment is virtually nonexistent, the appointing power may request that DPA place the employee's name on a general reemployment list for a similar class.

RED CIRCLE SALARY RATES

Red circle salary rates are not appropriate if they are necessitated by demotions that result from funding reductions. If, however, the demotion that caused the employee to move to a class with a lower salary rate was caused by a management initiated decision to correct a misallocated position or effect a reorganization, the appointing power may request that DPA approve a red circle salary rate, if the employee meets the criteria.

LAYOFFS IN A DEPARTMENT THAT IS BEING ABOLISHED

Layoffs in a department being abolished or “sunsetting” that is laying off all its employees are conducted the same as in other situations where staffing reductions are required; however, special attention should be given at the time of layoff to employees of the “sunsetting” department who are on limited-term assignments, probationary appointments, CEA appointments, or exempt appointments in other departments and have return rights to the “sunsetting” department. These employees should receive layoff notices along with the current employees of the “sunsetting” department and their names should be placed on reemployment lists as of the effective layoff date. These employees,

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therefore, will have been laid off from the “sunsetting” department but can continue working in positions in other departments. Should the appointments in the other departments be terminated at a later date, the employees would have no return rights.”

ADDITIONAL FACTORS

- Unemployment Insurance (UI) -- Employees who are laid off are entitled to UI benefits and may file on the date of their separations.
- Nonindustrial Disability Insurance benefits cease on the effective date of layoff.
- Employee Assistance Program (EAP) -- Employees should be advised of EAP benefits, including stress management.

Employees in Bargaining Units 1, 3, 4, 11, 15, 20, or 21, the employees’ contract allows the employee to continue to use EAP services for an extended six-month period following the employee’s separation from State service due to layoff, providing the employee has visits remaining. EAP services include counseling for employee and eligible family members.

- Retirement Funds – Public Employees’ Retirement System (PERS) contributions may be left on deposit or withdrawn at time of layoff.
- Health, Dental, and Vision Benefits -- These benefits may be continued by laid off employees for themselves and eligible dependents by assuming the cost of premiums under COBRA.
- Deferred Compensation -- Funds may be withdrawn or left on deposit until a later date.

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WHAT IS REEMPLOYMENT?

A method to help terminated or demoted employees return to their former class. Reemployment takes priority over all other appointment lists.

ESTABLISHMENT OF REEMPLOYMENT LISTS

An employee who is laid off or elects to demote in lieu of layoff from a class and has held either permanent or probationary status in the class, will be placed on the appropriate reemployment lists for that class. In addition, appropriate reemployment list eligibility will generally be provided for all classes through which the employee was given demotional rights during layoff. Employees appear in seniority order on all reemployment lists.

When surplus employees are laid off or demoted in lieu of layoff, PAR documents should be processed immediately to the State Controller's Office and Form DPA-016 (Attachment 1) should be submitted to SPB as soon as the PAR clears the Controller's Office. This will allow the establishment of reemployment list eligibility at the earliest opportunity. To assist departments in the process of establishing reemployment eligibility refer to Attachment 2 for instructions on how to complete DPA-016.

There are three types of reemployment lists:

General – Used throughout State service;

Departmental – Used only in that agency; and

Subdivisional – Used for small units within an agency, such as district or division.

General reemployment lists are used under the "Rule of Three" (i.e., the appointing power has a choice of the three employees on the list with the most seniority). Departments are reminded not to place the name of employees on General reemployment lists for classes in which they do not have status and through which they did not demote in lieu of layoff.

Departmental and Subdivisional lists are under the "Rule of One." Reemployment lists must be used ahead of any other open or promotional civil service lists.

Reemployment list eligibility for employees is five years unless an extension is granted by the State Personnel Board.

If incumbent's class is in the primary demotional pattern, the incumbent would receive General, Departmental, and Subdivisional eligibility.

If incumbent's class is in the secondary demotional pattern, the incumbent would receive Departmental and Subdivisional eligibility.

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OTHER APPOINTMENT ELIGIBILITY

Under Government Code Section 18950 and State Personnel Board Rule 235.2, employees whose names appear on reemployment lists retain the same eligibility to take promotional civil service examinations that they had prior to layoff. Employees who are laid off retain their current eligibility on any employment list until the list expires.

In addition, under Government Code Section 19140, employees who are laid off retain indefinite statewide permissive reinstatement eligibility to their former position or to any other classification at substantially the same or lower salary to which they could have transferred or demoted prior to layoff.

OTHER RELATED INFORMATION:

Unemployment Insurance

State employees who are laid off are eligible for unemployment benefits under the same conditions as are employees in the private sector. Claims for unemployment insurance may be filed on the effective date of their separation.

Employee Assistance Program (EAP)

EAP benefits are available to employees and their family members throughout their layoff notification period; thereafter no benefits are available.

For an employee in Bargaining Units 1, 3, 4, 11, 15, 20, or 21, the employee's contract allows the employee to continue to use EAP services for an extended six-month period following the employee's separation from State service due to layoff, providing the employee has visits remaining. EAP services include counseling for employee and eligible family members.

Deferred Compensation

An employee who officially separates from State service as a result of layoff may either withdraw any funds deposited in the State's deferred compensation program or elect to defer withdrawal until a later date. Funds which are withdrawn will be subject to State and federal income tax.

Accrued Sick Leave/Vacation/Annual Leave

Sick Leave

Employees separated by layoff and subsequently reemployed shall have their sick leave earned prior to layoff credited to them. In addition, upon reemployment, their prior service shall be counted for purposes of calculating State service, sick leave, and vacation.

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Classification and Compensation Division

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Vacation and Annual Leave

Employees who are laid off are entitled to lump sum payment of any unused or accumulated vacation or annual leave. The sum is computed by projecting the accumulated time on a calendar basis so the lump sum will equal the amount of leave which the employee would have been paid had he/she taken the time off as opposed to being laid off from State service.